

**UNEP Director of Corporate Services dismissal of complaint regarding UNEP role in the TNFD sets an alarming precedent on the UN defending corporate power:
*Complainants call for UNEP to overturn the dismissal and proceed through its complaint mechanism***

Complainant statement

Complainants have formally requested that this statement, including all information provided, appear in the UNEP-IOSSR Complaint Registry.

On 24 October 2024, 10 civil society and rights holder groups filed the complaint “[UNEP backing to the Taskforce on Nature-related Financial Disclosures \(TNFD\) has undermined and worked against environmental defenders, rights holders and civil society Groups](#)”. The groups filing the complaint are a diverse array of rights holder and civil society organizations: Rainforest Action Network, Forests & Finance coalition, Global Forest Coalition, BankTrack, Milieudefensie, Third World Network, Women’s Earth and Climate Action Network, Friends of the Earth International, Indigenous Environmental Network and Movimento pelo Soberania Popular no Mineração.

The detailed 39-page complaint articulated 11 key complaints. It included extensive, detailed analysis and evidence, including case studies, impact statements, supplementary research and references to UNEP’s own policies and international law. Most serious among the concerns raised was that UNEP - a UN agency, had co-founded an initiative whose ultimate decision-making body comprised of 40 corporations - [45%](#) of whom faced serious environmental and human rights concerns. This includes legal cases, OECD complaints and investor bans. The complaint argued that this helped to greenwash corporate reputations, including those already subject to investor bans - and undermined the efforts of environmental defenders, especially those seeking justice in cases related to TNFD taskforce members. Subsequently complainants have identified that five of these corporations are members of UNEP FI.

These corporations were then the ultimate decision-makers of a TNFD framework. Obscured behind an extremely convoluted, poorly communicated and hard-to-understand structure - the TNFD framework suggests as its baseline, that company TNFD reports should not report the company’s impacts on nature (unless financially material) or disclose where a company is facing active complaints about its biodiversity or human rights impacts. The complaint included case studies and impact statements that directly showed how this allowed companies to greenwash their reputations. It also distracted from alternate policy solutions to end corporate environmental and human rights harms, such as promoting legal liability and redress. The complaint included reference to years of public statements, open letters and submissions by a vast array of rights holder and civil society organizations opposing or raising serious concerns about the TNFD.

Egregiously, UNEP is promoting and normalizing the idea that corporations should write their own regulations. As shown in the complaint, UNEP is not only actively promoting TNFD - it is advocating for governments to adopt the TNFD framework into law. It outlined how UNEP has systematically failed to follow its own policies, as well as undermining norms in international law

and agreements - such as the Escazu Agreement and the Kunming Montreal Global Biodiversity Framework - including obligations to center Indigenous Peoples, environmental defenders and grassroots women's groups in decision-making.

The Director of Corporate Services dismissed the 39-page complaint with a single email and a link to a 2-page fact sheet aimed at financial institutions. Complainants see no evidence that UNEP has undertaken a thorough or good faith initial assessment of the complaint. Four days after dismissing the complaint, UNEP FI released what appears to be a [press release](#) launching two 'strategic initiatives' aimed at promoting the uptake of TNFD.

The [UNEP Stakeholder Response Mechanism \(SRM\) policy](#) clearly outlines that complaints will be progressed through the complaint process unless ineligible. Complainants hold that the complaint meets the eligibility SRM criteria and note that the Director has not indicated any specific criteria that the complaint has not met. UNEP's work on the TNFD began before the project had grant funding, this situates UNEP's work on the TNFD under its enduring 'Nature Action' program work, of which any sub-projects are part. UNEP also sits on TNFD's 'stewardship council' in this role as co-founder, with a stated responsibility 'to uphold the seven principles guiding the work of the Taskforce'. UNEP has clear policy obligations on the need to center the voices of Indigenous Peoples, environmental defenders and grassroots women in decision-making. Designing a project that directly exclude these groups - as appears to be argued in UNEP's reference to a UNEP TNFD pilot program with financial institutions - and using this as an argument for why a complaint should not be investigated is incongruent with UNEP's organizational policies, core UN principles and UNEP's work on TNFD being begun within a broader Nature Action program.

The concerns outlined by rights holders and civil society organizations about the TNFD since 2021, the concerns outlined in the detailed complaint, complainants experience of the complaint process and UNEP's dismissal of the complaint without legitimate grounds highlight what appears to be systemic, pervasive issues in how UNEP fulfills, or more accurately fails to fulfill, its own core policies and the core norms of key international environmental agreements.

Some complainant organizations are now considering that UNEP may constitute a direct threat to our work. A UN agency that promotes the right of corporations to write their own regulations, that ignores the victim-survivors of corporate environmental harms and elevates corporate groups accused of harm to leadership positions and that undercuts, and fails to communicate the minimum standards and duties for business and governments outlined in core international agreements such as the Escazu Agreement, relevant human rights law and the Kunming-Montreal Global Biodiversity Framework is not working in service of nature or environmental defenders. A UN agency that fails to investigate complaints - despite them appearing to meet all eligibility criteria and raising serious ethical issues with real-world implications, particularly for environmental defenders - also undercuts the core principles of effective grievance mechanisms that the UN seeks to promote to businesses themselves.

Complainants are gravely concerned about UNEP’s conduct in relation to its role and work on the TNFD, as well as its response to the complaint process. UNEP’s failure to investigate, let alone address, serious concerns raised suggests an organizational culture that is not research-based, evidence-led or outcome oriented, and which has lost sight of core UN principles such as the importance of rights-based approaches and basic good governance.

Complainants are calling for UNEP to overturn its decision to dismiss the complaint and to proceed through its complaint process.

In the following pages, complainants wish to outline in further detail our concerns with UNEP’s handling of the complaint and request that this information be published in full in the UNEP-IOSSR Complaint Registry.

Further information

This section begins with three brief summaries: 1. Outlining that the 11 key complaints have not been addressed; 2. Outlining irregularities in the complaint process; and 3. An assessment of the complaint process against effectiveness criteria championed by UN agencies for grievance mechanisms. Next, it responds in greater depth to the rationale presented by the Director of Corporate Services for dismissing the complaint without an investigation (point 4). In dismissing the complaint, the Director of Corporate Services provided a 2-page fact-sheet intended for financial institutions as ‘evidence’ of its ‘diligences’ - this was without reference to its own policy obligations and the norms of core international agreements, and appears to actually reaffirm the points made by complainants as outlined in a brief analysis (point 5).

- 1. 11 key complaints remain unaddressed**
- 2. Irregularities in the complaint process and non-adherence with criteria for effective grievance mechanisms**
- 3. The complaint process fails on all of the relevant UN Guiding Principles on Business and Human Rights effectiveness criteria for grievance mechanisms**
- 4. UNEP’s stated position for not investigating the complaint is illegitimate**
- 5. The factsheet provided reiterates, not dismisses, concerns raised in the complaint**

1. 11 key complaints have not been addressed

The [39-page complaint](#) included extensively documented evidence, policy analysis, and references, and summarized 11 key complaints. The Director of Corporate Services dismissed the complaint with an email and a link to a 2-page fact sheet aimed at financial institutions. This did not respond to the detailed information, evidence and analysis in the complaint. None of the 11 key complaints have been addressed.

Table 1: 11 Key Complaints		
1.	UNEP has undermined the work of environmental defenders, rights holders, women’s organizations and civil society groups through its co-founding, funding and	Not addressed. UNEP’s position appears to be that UNEP staff, programs,

	<p>serving on the stewardship council of the TNFD. The TNFD has amplified and resourced executives from 40 corporations to determine the TNFD recommendations and promote them heavily. UNEP was a key architect of the TNFD's creation and served a governance role – this should have ensured a responsibility for any initiative it is involved in to respect UNEP's own policies. Points 2-11 examine this further.</p>	<p>resources and brand identity can be freely employed to co-found and promote initiatives that violate UNEP's own policies and international law norms.</p> <p>This includes initiatives that appoint corporations accused of environmental or human rights abuses to leadership.</p> <p>UNEP has not provided any formal policies or documents that outline this policy.</p>
2.	<p>UNEP has undermined the basic principles of fair governance by supporting a TNFD taskforce made up solely of executives from corporations. The taskforce does not include government officials, scientists, rights holders, grassroots women or CSOs or even other facets of the business community, such as smallholder farmers.</p>	<p>Not addressed.</p>
3.	<p>UNEP, as a co-founder of the TNFD, has failed to ensure transparency regarding who appointed the TNFD taskforce members, including if this involved UNEP staff.</p>	<p>Not addressed.</p> <p>The UNEP Director of Corporate Services has not disclosed if UNEP staff were involved in appointing TNFD members.</p>
4.	<p>UNEP has undermined calls for policy solutions through the systematic empowering of, investing in and amplification of corporations to describe what they believe will change their behavior. Instead, environmental defenders, rights holders and civil society groups see policies that allow for liability and redress as key to ending business complicity in the biodiversity crisis. Noting that other UN agencies - particularly initiatives linked with business and human rights - have emphasized the role of accountability in shifting corporate behavior based on various analyses and research inputs.</p>	<p>Not addressed.</p>
5.	<p>UNEP has undermined the efforts of environmental defenders, rights holders and civil society groups trying to press for fair outcomes for prior or ongoing risks or harms, by consenting to the appointing of many senior</p>	<p>Not addressed.</p>

	<p>executives to the TNFD taskforce from company groups facing serious environmental and human rights concerns, presenting these companies as de facto leaders on nature the TNFD has undermined environmental defenders. See Table 3, p. 18-20 in the Complaint for a list.</p>	
6.	<p>UNEP failed to perform basic due diligence and does not appear to have required any environmental or human rights screening by the TNFD for its taskforce members. It also did not consult with environmental defenders or others raising current or recent concerns, formal grievances or legal cases against company groups to determine if they consented.</p>	<p>Not addressed.</p> <p>The Director of Corporate Services has implied that UNEP has no responsibility to undertake its own due diligence. At least 5 of the TNFD taskforce company groups that face legal cases, non-judicial complaints or investor exclusions are also members of UNEP FI.</p>
7.	<p>UNEP has endorsed, and actively promoted, corporate capture by endorsing the TNFD in national and international policy discussions. This amounts to promoting a view that it is legitimate for corporations to write the blueprint of future laws that will regulate them.</p>	<p>Not addressed.</p> <p>UNEP has continued to promote TNFD in public policy - and without referencing any critique of TNFD - throughout the initial assessment process.</p>
8.	<p>UNEP failed to perform a gender analysis of the TNFD's proposals or specifically consult with grassroots women's organizations.</p>	<p>Not addressed.</p> <p>UNEP has shown no evidence that it undertook an analysis of TNFD to understand its gender impact or adequately consulted with grassroots women's organizations.</p>
9.	<p>UNEP failed to require the TNFD to follow an evidence-based approach. While it facilitated hundreds of opportunities for companies to pilot their ease of reporting and case studies on how a company should approach its internal assessment of risk using the TNFD framework - there was not a single process to check the TNFD's recommendations against case studies of companies engaged in environmental and human rights harm. The TNFD did not undertake nor rely on any research into what works, or doesn't, to shift company behavior. While the TNFD is not, and has never claimed to be evidence based, it is frequently promoted in policy discussions as if it</p>	<p>Not addressed.</p> <p>The Director of Corporate Services has suggested that because UNEP focused on companies' rights to participate - and lacked any form of program targeted at environmental defenders, gender equity or Indigenous Peoples rights - it has no responsibility in this matter.</p>

	were.	
1 0.	UNEP did not make any serious or credible efforts to engage with the many civil society groups raising concerns about the TNFD over a two year period. At no point did UNEP, the TNFD or any other related body inform these groups if the TNFD had a grievance process or complaint mechanism. No reference to a complaint mechanism appeared on its website or in other material.	Not addressed. IOSSR also did not undertake any such engagements.
1 1.	The TNFD actively or implicitly excluded environmental defenders, rights holder and civil society voices through biased and flawed consultation processes. [This includes points a-d that relate to lack of transparency, failure to provide information in a form accessible to most environmental defenders, biases in consultation processes that exclude critical voices and existing of TNFD working groups that fail to disclose who is on these groups or show balance or not].	

2. Irregularities in the complaint process

This section briefly outlines irregularities in the complaint process.

i) Once a complaint is filed, UNEP-IOSSR’s [policy](#) is to undertake an initial assessment to decide to accept or dismiss the complaint. Complaints will be dismissed if they do not meet the eligibility criteria. This should be undertaken within 30 working days of receiving the complaint. The complaint was filed on 24 October 2024 but the initial assessment was not completed until 14 February 2025.

ii) On receiving the complaint, UNEP-IOSSR has not provided any additional materials, information, policies or timeline to complainants to enable them to know what to expect from the complaint process, including their rights.

iii) UNEP-IOSSR has not sought any further clarification on any evidence, detail or analysis of the complaint. It has not requested a meeting with complainants. It has not outlined if any eligibility criteria was not met or provided complainants with an ability to respond before the complaint was dismissed.

iv) During this time, UNEP continued to promote the TNFD in public policy in a January 2025 [report](#). Complainants believe that it was inappropriate for the UNEP report not to acknowledge the complaint and extremely inappropriate not to acknowledge any of the extensively documented concerns about TNFD, compiled in this [public list](#).

v) The complainants noted at least twice to UNEP-IOSSR that the case summary page in the [complaint registry](#) is inaccurate. To expand on these concerns:

- i) It did not mention eight of the ten organizations filing the complaint, including rightsholder organizations.
- ii) The complaint summary did not mention gender equity as a key issue - despite this featuring in the list of 11 key complaints.
- iii) The summary on the complaint registry arbitrarily invents a requested outcome from complainants. *“The complainants request that UNEP re-evaluates its involvement with TNFD, enforcing UNEP’s policies on environmental and human rights protection, transparency, and stakeholder inclusion.”* This is not part of our complaint. The complaint does note that the complaint could warrant further examination to investigate if the issues regarding TNFD represents a broader systemic issue within UNEP. Complainants did not make a direct request for how the complaint is to be resolved, as under UNEP-IOSSR’s [complaint process](#) once a complaint is accepted there is an option to undertake an investigation, and agree terms for this investigation with complainants. The findings of this investigation should inform what additional steps are needed to fairly address a complaint, including redress or remedy.

At minimum, this shows that UNEP-IOSSR failed to correctly understand the complaint. At worst, this could be read as a bad faith engagement seeking to minimize the breadth and depth of the complaint and groups filing it.

vi) On 24 December 2024, correspondents explicitly pre-empted the argument that the Director of Corporate Services would later use to justify a failure to investigate - that TNFD has its own governance structure, and is not part of UNEP. Complainants wrote to UNEP-IOSSR:

In your correspondence, we note that: “We would like to take this opportunity to clarify that the Taskforce on Nature-related Financial Disclosures (TNFD) operates independently, under its own governance and management through a dedicated secretariat. As TNFD is not administered by UNEP, our ability to address specific concerns directly is limited.”... If UNEP is the executing agency on a project that does not have the governance or administrative capacity to ensure it accords or has accorded with UNEP’s own policies and standards - we believe this should be in scope of any investigation related to the complaint and grievance, as well as an appropriate response.

The Director of Corporate Services’ email did not acknowledge that complainants had explicitly requested that UNEP investigate its own role in the TNFD - this again misrepresents the complainants position. The Director did not give any indication that UNEP had formally requested TNFD’s cooperation in an investigation or that TNFD had denied such a request.

vii) On 17 December 2024, UNEP-IOSSR added into CC in their correspondence with complainants the Deputy Director of UNEP FI. The correspondence did not acknowledge that the Deputy Director was in CC or why they were in CC. Complainants had understood UNEP-

IOSSR to operate independently as an internal watchdog. This is a concerning practice for a body with investigative powers where complainants may share confidential or protected information on the basis of there being a reasonable firewall between complainants and UNEP staff as understood from the [complaint policy](#).

The Deputy Director's roles at UNEP-FI have included/include 'overseeing relationship management, regional coordination and outreach with banks, insurers and investors.'¹ As UNEP FI describes [itself](#) "UNEP FI is the strategic partnership between the United Nations and nearly 500 banks, insurers, and investors." The Deputy Director also served as the Manager of UNEP-FI Membership from 2016-2023 - the TNFD framework was written primarily between 2021-2023. In this role they had direct oversight of UNEP FI's membership practices - including any position to undertake, or fail to undertake, due diligence into member links to alleged environmental harms or human rights abuses.

Our complaint highlights that at least [45% of TNFD taskforce members](#) are facing serious environmental and human rights concerns, including legal cases, formal complaints or investor bans. Half of the TNFD taskforce members from the financial sector are also UNEP FI members, including at least five of the financial institutions linked to environmental and human rights concerns.² Collectively, this group of five financial institutions are facing multiple legal cases and OECD complaints, some were explicitly named in impact statements in the complaint. The complaint raised serious concerns about the lack of transparency over who selected TNFD members, on what basis and about UNEP's role in this. The UNEP IOSSR initial assessment was therefore compromised, in: a) It appears to have failed to include basic firewalls and independence necessary for impartial assessment of complaint eligibility that relates to potential UNEP wrongdoing; b) It specifically engaged in our correspondence a UNEP FI staff member that had directly supported the UNEP FI membership of TNFD taskforce members that were implicated in environmental and human rights concerns, including the subject of the complaint. This fails basic tests of objectivity and impartiality.

viii) As detailed later in this response, complainants believe that the Director of Corporate Services misrepresented UNEP's role in the TNFD. UNEP began its work to co-found the TNFD prior to any sub-project specifically focused on a pilot program. This situates UNEP's role in the TNFD as part of its ongoing work dating back to before TNFD's inception, including under its Nature Action program, separate to any sub-projects that may be under that grant. UNEP also continues to serve on the TNFD's stewardship council and allow for its brand to be affiliated with the TNFD as one of its four co-founders. UNEP is the executing agency overseeing the core grant that founded the TNFD. UNEP continues to promote the TNFD in regulatory discussions, including in its own publication and to provide quotes from UNEP staff for TNFD media releases. UNEP's own description is that it played a 'key role' in the founding of TNFD. Most disturbingly, in appearing to misrepresent UNEP's work on the TNFD to solely a project that prioritizes work with corporations (such as its pilot program) - and had no program to ensure

¹ LinkedIn profile, accessed 27 February 2025.

² BNP Paribas, AXA, HSBC, Rabobank and UBS

TNFD included fair and accessible public consultation with environmental defenders, Indigenous Peoples or grassroots women - violations of due process were outside of UNEP-IOSSR's remit to consider.

ix) The Director of Corporate Services dismissed the 39-page detailed complaint with a single email. This did not refer to Stakeholder Response Mechanism policy or the eligibility criteria. It did not reference any eligibility criteria that had not been met. It did not address the substantive points and evidence raised in the complaint. At several points, it misrepresented fundamental aspects of our complaint. It also showed a failure to understand fundamental aspects of the TNFD framework, including those explained in our complaint.

Table 2: Correspondence log	
24 October 2024	The complaint is filed with the UNEP-IOSSR via email.
11 November 2024	Complainants send an email to UNEP-IOSSR asking for confirmation that the complaint has been received.
11 November 2024	UNEP-IOSSR confirm that the complaint has been received and an officer will provide feedback.
13 December 2024	Complainants write to UNEP-IOSSR to request an update on the complaint, noting their understanding is that UNEP-IOSSR will complete an initial assessment within 30 working days of receiving the complaint.
17 December 2024	UNEP-IOSSR writes to complainants noting that it will do an initial assessment of the complaint.
17 December 2024	UNEP-IOSSR registers the complaint on its Stakeholder Response Mechanism case registry. <i>Complainants are not provided a link or informed that it appears on the complaint registry.</i>
21 December 2024	Complainants acknowledge receipt of the 17 December email and advise that they will respond within 5 working days with some further points of clarification.
24 December 2024	Complainants write to UNEP-IOSSR. This includes a direct request for a timeline of when the initial assessment will be done and information regarding the nature of the delay. It also specifically raises that UNEP should investigate its own conduct in relation to TNFD.

4 February 2025	<p>Complainants write to UNEP-IOSSR. They note that they have received no response to the 24 December correspondence after 6 weeks. They note that effectiveness criteria for grievance mechanisms promoted by the UN include that they should be predictable with a 'clear and known procedure with an indicative time frame, clarity on types of processes and outcomes they offer' and transparent 'keeping parties informed about progress'.</p> <p>They also note it is inappropriate for UNEP to continue to promote the TNFD in public policy given that the complaint is ongoing, and extremely inappropriate to do so without any acknowledgement of concerns being raised about the TNFD, by the complaint and other mechanisms. It also notes concerns that the summary of the complaint in the registry excludes naming 8 of the 10 complainants, including rightsholder groups. They explicitly request all groups are named. It also raises a concern that the summary on the registry notes that "The complainants request that UNEP re-evaluates its involvement with TNFD, enforcing UNEP's policies on environmental and human rights protection, transparency, and stakeholder inclusion." Complainants note that they made no such request.</p>
7 February 2025	UNEP-IOSSR confirms that the complaint has been received.
14 February 2025	The UNEP Director of Corporate Services writes to inform complainants that the complaint has been dismissed - or as they term it 'closed'.
20 February 2025	Complainants confirm receipt of the 14 February correspondence and that they will respond in due course.

3. The complaint process fails on all 7 of the relevant UN Guiding Principles on Business and Human Rights effectiveness criteria for grievance mechanisms

UNEP, including [UNEP FI](#), promote the UN Guiding Principles on Business and Human Rights [effectiveness criteria](#) for grievance mechanisms. Championed by the UN Office of the High Commissioner on Human Rights, this applies seven key criteria, as well as an eighth criteria for operational level grievance mechanisms not relevant in this case.

Table 3: UN Guiding Principles on Business and Human Rights effectiveness criteria for grievance mechanisms - assessment of UNEP process	
A. Legitimate – enabling trust from the stakeholders for whose use they are intended	No. We do not trust UNEP's process. It has not responded to the substance of our complaints. UNEP has publicly

and being accountable for the fair conduct of the process	misrepresented core aspects of the complaint. UNEP has continued to promote the TNFD without reference to any of the concerns extensively documented by civil society groups and rights holders, including in the complaint.
B. Accessible – being known to all affected stakeholder groups, providing assistance where relevant	No. All affected stakeholder groups are not aware of the UNEP grievance process. Assistance was not offered or provided.
C. Predictable – clear and known procedure with an indicative time frame, clarity on types of processes and outcomes they offer	No. UNEP-IOSSR’s processes are clearly described. However, based on this, it is not evident why our complaint was dismissed.
D. Equitable – seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise	No. Complainants provided a 39-page complaint. This was dismissed with a single email.
E. Transparent – keeping parties informed about progress and providing information on the mechanism’s performance	No. Expected timelines were exceeded without updates on revised timelines. Questions by complainants were not responded to. In one case, complainants received no response for 6 weeks.
F. Rights-compatible – outcomes and remedies accord with internationally recognized human rights	No. Our complaint extensively documented rights concerns. UNEP-IOSSR has presented no evidence to refute these.
G. A source of continuous learning – identifying lessons for improving the mechanism and preventing future harms	No. A key concern is that UNEP will repeat and perpetuate harmful practices. This includes undermining the Escazu Agreement, international law on Business and Human Rights, the Kunming-Montreal Global Biodiversity Framework and UNEP’s own policies.

4. UNEP’s stated position for not investigating the complaint is illegitimate

In making the complaint, complainants provided a detailed 39-page document which included many additional references that linked to further information. The Director of Corporate Services dismissed the complaint with an email and a link to a 2-page fact-sheet intended for financial institutions. In this section, we respond to three key statements provided by the Director of Corporate Services in this email. Complainants do not accept these responses as legitimate and believe they set an alarming precedent.

In summary, as complainants understand it, the three key arguments appear to be:

1. UNEP cannot address the concerns raised - including presumably its own conduct - so it shouldn't seek to investigate them.
2. UNEP's work focused on financial institutions - so it has no obligation to examine how it may have failed environmental defenders, Indigenous Peoples or grassroots women because that was not its focus.
3. UNEP did engage and hear from 'different groups'. (UNEP chooses not to refer to 'rights holders' or to standards for meaningful roles in decision-making outlined in its own policies or norms such as the Escazu Agreement).

Firstly, the Director notes: *"The IOSSR has confirmed that the Taskforce on Nature-related Financial Disclosures (TNFD) operates independently, under its own governance and management procedures through a dedicated secretariat. In this connection, and in terms of mandate, IOSSR analyses identified that UNEP is not the convener of this industry-led initiative and UNEP's ability therefore, to address the concerns raised is limited."*

The emphasis on 'addressing' the complaint does not accord with UNEP's Stakeholder Response Mechanism policy p.6-7 on 'Determining Eligibility of Complaints to the IOSSR'. This is not a criteria for ineligibility of a complaint. Additionally, on 24 December 2024 complainants proactively expressed to IOSSR that UNEP has the ability to investigate the role of UNEP staff, programs and grant management in its work on the TNFD. UNEP leadership would be aware that UNEP could formally request TNFD's cooperation in such an investigation, and that with or without this collaboration, UNEP can investigate its own role and practices. The Director did not state that UNEP had formally requested TNFD's cooperation in an investigation or that such a request had been denied. If TNFD were to deny a request to cooperate in an investigation - this would be further illustrative of the many points raised in the complaint about TNFD's failure to support due process and the importance of investigating UNEP's role.

A UNEP investigation should seek to understand all the contributing factors that led to UNEP co-founding, supporting and now heavily promoting an initiative that operates in contravention of UNEP's values and policies, from basic norms of good governance to international law principles. It should similarly seek to understand these internal machinations within the TNFD - with, or without, TNFD's cooperation. An investigation should establish a key timeline and chain of events regarding UNEP's role and work in relation to the TNFD, as well as the TNFD more broadly. It should seek to understand why UNEP has diverted so grossly from a rights-based approach and its core mission, starting from its role in setting up the TNFD to the present day. This should seek to understand the decision-making processes, rationale, institutional arrangements, organizational culture, planning and oversight that led UNEP staff, programs, corporate partnerships and resources to co-found, support and now heavily promote the TNFD. This should also include, but not be limited, to its role in overseeing the seed grant to establish the TNFD. Beyond this, TNFD should be understood as part of UNEP's ongoing work on the financial sector - particularly, but not limited to, UNEP FI.

This investigation should try to understand why UNEP, in co-founding and continuing to support the TNFD, has diverted from the norms so clearly established in its own policies, in international law, as well as basic common sense. This includes: 1. Setting up a taskforce solely made up of corporations - thereby excluding, and undermining, Indigenous Peoples, environmental defenders and grassroots women's groups; 2. Setting up a taskforce where almost half of corporations are facing investor bans, legal cases, formal complaints or similar issues related to alleged environmental and human rights abuses. This directly undermines the victim-survivors seeking justice for these corporations' alleged abuses. Noting that this includes 5 company groups that are also members of UNEP FI; 3. Advocating that corporations should be writing their own regulations - by advocating to states that this framework written by these corporations should be adopted as the basis of future law.

This paints a picture of extreme co-optation by UNEP, abuse of its position and contradicting the evidence-based and rights-based importance of centering Indigenous Peoples, environmental defenders and grassroots women's groups in environmental decision-making - which is also enshrined in UNEP's own policies. A key point of interest should be the function of UNEP FI - a partnership between the UN and 500 financial institutions. This raises questions about impartiality, diversity and commitment to UNEP policies in the application of UNEP FI programs. An investigation should seek to understand why UNEP staff failed to engage directly with the many civil society and rightsholder groups raising concerns about the TNFD, including UNEP's role. It could examine how much of UNEP-FI staff time is spent with the financial sector vs. with environmental defenders adversely impacted by financing, as well as how much time is spent related to casework surrounding alleged financial sector abuses.

On 25 February 2025 - shortly after correspondence with complainants rejecting this complaint the Head of UNEP FI provided a quote for a TNFD media release: *"This collaboration builds upon our earlier work with the TNFD and partners to provide market clarity and drive uptake of nature-positive finance practices. By engaging with global financial actors and real economy players, we can ensure that the financial sector plays a central role in advancing biodiversity goals and building resilience in a rapidly changing world."*

This shows that UNEP intends to support the TNFD - based on what appears by this point on purely ideological grounds - without any acknowledgement of the extensively documented concerns and analysis of the TNFD. This includes evidence of case studies showing how TNFD reports are enabling greenwashing, civil society group impact statements, a long list of dissenting statements by dozens of civil society networks and rights holder groups and a direct complaint filed to the TNFD.

An investigation into UNEP's role in the TNFD could be served by a comparison with the work of other UN agencies - particularly the UN Office of the High Commissioner on Human Rights. The UN OHCHR on Business and Human Rights has taken a much more plurilateral approach than UNEP's approach - it has focused on a rights-based, evidence-based and outcomes-led approach involving many diverse voices. This has centered human rights defenders, while also

welcoming the contributions of academics, legal experts, governments and often business itself. These efforts have heavily influenced international law, corporate policies and now national law. A particularly pertinent question is why UNEP staff, particularly UNEP FI staff, have promoted TNFD despite its contravention or incoherence with key environmental laws, regulations and agreements. On public participation, UNEP's promotion of the TNFD undermines the hard-fought norms of the legally binding Escazu Agreement established under the UN Economic Commission for Latin America and the Caribbean (ECLAC). For signatory states, adopting TNFD into law would violate the Escazu Agreement, particularly Article 7.

An investigation should also seek to understand why UNEP has continued to promote the adoption of the TNFD framework - including in public policy - despite its non-adherence to the foremost international agreement on biodiversity the Kunming Montreal Global Biodiversity Framework (KM GBF). The non-adherence of TNFD to Target 14 and Target 15 of the KM GBF is outlined in detail in the complaint. TNFD's baseline is weaker than legal requirements already in place in one of the world's trading blocks (the EU) and adopted by China's largest major stock exchanges - requiring a caveat that when legally required, TNFD reports should go beyond financial materiality. Rather than UNEP using its resources and power to promote the views of Indigenous Peoples, environmental defenders and grassroots women's groups and their policy priorities for financial sector reform - including, but not limited to, legal reform on liability and redress; and basic principles of transparency such as respect a community's right to know - UNEP is operating with extreme bias in amplifying the voices of corporations, both in co-founding the TNFD and its ongoing promotion of corporate public policy positions.

Most chillingly, UNEP's failure to investigate the TNFD and UNEP's own role in it, will be interpreted as a defense of practices that are operating in direct violation of basic UN principles. UNEP will continue to promote and amplify the TNFD, including the ability of corporations to use TNFD reports to further enable greenwashing. UNEP will continue to work against the very environmental defenders bringing legal cases, complaints and encouraging investor exclusions against these corporations over serious environmental and human rights concerns. Startlingly, this sees a UN agency undermining the very investors who have excluded TNFD taskforce members from their investments due to environmental and human rights concerns. The adverse impacts on affected communities is not an academic point. In Cali, Colombia a TNFD event featured mining company Vale - whose mining tailings dams collapses have killed hundreds of people in Brazil and which continues to face Indigenous Peoples opposition. Shirley Krenek - whose people are fighting the ecocide and rights violations of the Mariana dam collapse [directly protested the event](#). In our complaint, two separate organizations provided impact statements as to how the TNFD is directly undermining their work on corporate accountability.

This will perversely see UNEP continue to undermine international law such as the Escazu Agreement and conventions related to business and human rights, as well as the landmark Kunming-Montreal Global Biodiversity Framework. UNEP, particularly UNEP FI, will continue to co-found and promote initiatives that amplify the voices and interests of the corporate sector -

rather than centering the voices of environmental human rights defenders and the critical evidence base they bring of what works to shift corporate behavior.

Secondly, the Director states: *“In relation to the direct involvement of UNEP in the TNFD, particularly under the project to support the development and testing of the TNFD framework with financial institutions, UNEP has supported preparatory work, testing, finance sector consultation, and awareness raising.”*

This description bafflingly omits that UNEP set up the TNFD as one of its four co-founders. Without UNEP it may not exist. Elsewhere, UNEP describes its role quite differently: [“As a co-founder of the TNFD, UNEP FI played a key role in the establishment, development and finalisation of the framework”](#) [emphasis added] (also [here](#)).

At no point did our complaint state that our concerns were limited to one sub-program under a single grant. To be explicit, the complaint covers the full application of any UNEP staff, resources, programs, branding or advocacy from early states of conception of TNFD until current day. This should consider all and any UNEP activities, this should include any staff or roles that have undertaken any work related to the TNFD since the early dates of its inception. UNEP policies apply to all UNEP staff and activities.

UNEP’s role in regards to the TNFD includes, but is not limited to:

- UNEP was a co-founder of the TNFD. It is unclear if the TNFD would exist without UNEP.
- UNEP is the executing agency on the first significant grant that was the seed funding for TNFD and is titled ‘Establishing the Taskforce on Nature-related Financial Disclosures’.
- UNEP sits on the TNFD stewardship council.
- UNEP continues to heavily promote the TNFD. This includes UNEP promoting TNFD in public policy as well as other tacit endorsements of TNFD, for example, providing quotes for media releases.
- UNEP brand, resources, staff and advocacy expertise used to promote and legitimize TNFD. The UN brand is implicitly understood by many to suggest an initiative that is in accordance with UN values as well as international law norms - and those seeing the UN co-founding and endorsing the TNFD would reasonably expect that TNFD accords with UN principles.

In essence, it appears that UNEP is arguing that it has no duty to investigate its own failure, or TNFD’s failure, to act in the interests of environmental defenders, Indigenous Peoples or grassroots women’s groups - because UNEP itself never considered that part of its work.

UNEP has very clearly articulated policy obligations to center environmental defenders, Indigenous Peoples and grassroots women’s organizations, as well as to promote - or presumably not directly act against - international law norms in agreements such as the Escazu Agreement. Even within the narrow confines of a single grant the [mid-grant evaluation](#), which only spoke to a narrow band of TNFD insiders, raised concerns that UNEP appeared unable to

provide effective oversight of the TNFD secretariat and noted that the stewardship council had only met once.

It is an extreme mischaracterization to describe UNEP's role in TNFD as limited to a narrow band of grant activities. It is difficult to interpret this as anything other than a bad faith attempt to try to limit UNEP's exposure to criticism, rather than address the substance of the complaint.

Thirdly, the Director notes: *After careful examination of UNEP's activities, IOSSR concluded that UNEP has made the relevant diligences in order to hear and engage with different groups (see for example a factsheet on "A Gender-Responsive Approach to Nature-Based Disclosures for Financial Institutions")*.

In our 39-page complaint, we provided extensive evidence, information and citations to support our claims. This included mass rights holder and civil society letters to TNFD raising concerns, signed by up to 62 organizations as well as the Forests & Finance archive of dissenting statements about TNFD (see [here](#)). It highlighted that up to 98% of the feedback received by TNFD in the drafting of its framework was made in secret, that there is no record to identify what concerns were presented to TNFD and whose concerns were valued or ignored and that information was never presented in a way to ensure it was accessible to grassroots groups and environmental defenders - despite persistent asks. The complaint articulated the specific policy obligations that UNEP has to rights holders, particularly to center rights holders in decision-making. It also outlined the expectations of international agreements such as the Escazu Agreement.

The Director's response does not claim to address these concerns. It refers to 'engaging' or 'hearing' from 'different groups'. These claims are not evidenced but even if they were, they do not show UNEP adherence to its own policies or core expectations of the Escazu Agreement. These denote clearly defined obligations for access to information, meaningful participation and the centering of rights holders - particularly environmental defenders, Indigenous Peoples and grassroots women's groups. The Director's language is not consistent with the basic concepts of rights-based approaches or good governance. Simply 'hearing from' a group, does not show that they have had a meaningful role in decision-making. 'Engaging' with 'different groups' - does not mean that the concerns of rights holders have been acted upon. This language is more evocative of corporate staff unfamiliar with the difference between tokenistic co-optation and rights-based approaches. In April 2025, UNEP's [own publication](#) on Nature-related Finance and Indigenous Peoples notes of the TNFD "While [its stakeholder guidance] references international frameworks such as the UN Guiding Principles on Business and Human Rights, it is important to recognize the limitations of industry-led processes in areas requiring authoritative Indigenous leadership."³

As such, UNEP has not presented any evidence to refute the concerns outlined at length in the complaint or to show that it has met its own policy obligations or those outlined in core

³<https://www.unepfi.org/wordpress/wp-content/uploads/2025/04/43-Nature-Finance-and-Indigenous-Peoples-2.pdf>

international agreements, such as the Escazu Agreement. Further to a complete lack of evidence provided, our trust in UNEP’s process is further undermined by the one document it did choose to reference (see Table 4 and Table 5 in the following section). This appears to show UNEP support for company ‘reporting’ which endorses companies hiding complaints about their biodiversity and human rights impacts, hiding what they are financing or who they are buying from, and failing to report their environmental impacts unless it is financially significant to the company.

5. The factsheet provided reiterates, not dismisses, concerns raised in the complaint

Table 4: Gender approach within the fact-sheet provided as evidence of ‘diligences’ This is based on a longer, 6 page version of the UNEP-FI factsheet provided: “A Gender-responsive approach to nature-based disclosure for financial institutions”.		
	ISSUE	NOTE
NOT COVERED	Corporations, including financial institutions, must transparently disclose a grievance list.	By omission, TNFD legitimizes companies hiding complaints that they are facing from women and girls, or others. (TNFD notes companies can state if they have a grievance mechanism - but does not recommend disclosing what the grievances are.)
NOT COVERED	Women, girls and their communities have the right to know if a company (including financial institutions) is sourcing from or financing activities in their area.	By omission, TNFD legitimizes companies denying women and girls fundamental information needed to defend their rights and environment. This is one of the biggest barriers to seeking justice, remedy or redress. What is the use of a company having a gender policy if those most likely to experience violations do not know about it?
NOT COVERED	The rights of women, girls and their communities to remedy or redress if their rights are violated.	What is the use of a company having a gender policy if women have no justice when the policy is breached?
NOT COVERED	A company’s right to keep the profits that it makes connected to environmental or human rights harms impacting women and their communities.	Nothing in this fact-sheet, or TNFD more broadly, questions the right of companies to profit from environmental or human rights harms. This harms women, girls, people of other marginalized genders and their whole communities.
Governance	UNEP’s fact-sheet fails to refer to rights holders, just stakeholders. A company should not just speak to women ‘stakeholders’. They should directly prioritize <i>rights</i>	It is alarming that UNEP fails to discern between rights holders and stakeholders. Its position also undermines the OECD Guidelines - a long-existing, government-backed framework for how companies

	<p><i>holders</i> - including women, girls and other marginalized genders who are most impacted or at risk in relation to the company's business activities. The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct have existed for decades. They clearly articulate that companies should focus their due diligence on 'scale, scope and irremediability'. That is the most critical, widespread and irreversible harms.</p>	<p>should prioritize due diligence.</p>
<p>Strategy</p>	<p>UNEP's fact-sheet fails to include any gender disclosure recommendation in this section. It makes vague references on how a company should gather data - but not report it. TNFD's strategy pillar focuses on "where such information is material". Even if UNEP had made a concrete gender disclosure recommendation - under this section the baseline is NOT for a company to disclose all significant gender impacts or inequities. It is only to disclose any gender impacts that may financially affect the business.</p>	<p>UNEP's fact sheet doesn't show any gender disclosure recommendation under this section.</p>
<p>Risk Management</p>	<p>This pillar recommends that companies should <i>describe their processes</i> for identifying and addressing risks. It does not cover companies disclosing what the actual risks are.</p>	<p>UNEP's fact sheet doesn't make any gender disclosure recommendation under this section.</p>
<p>Metrics and Targets</p>	<p>Under TNFD's baseline - the metrics and targets focus on financially <i>material</i> risk. TNFD doesn't define material, but generally a 10% impact on company value is the threshold viewed for clear impact. Most companies are so diversified their biodiversity-risk sectors comprise far less than 10% of total</p>	<p>It is bizarre for a UN program on the environment to endorse a view that companies shouldn't, at minimum, be reporting their environmental impacts - let alone acting on them. It undermines the rights of women and girls who rely on, enjoy, live from or steward biodiversity if companies don't even disclose known adverse impacts.</p>

	operations. Even if harm is viewed as 'material', TNFD has a caveat that companies can choose not to report for commercial reasons.	
LEAP recommendations	<p>A company can choose to use whatever approach it likes to assess its own nature risks. Using the LEAP guidance is one option. A company can self-identify risks using LEAP - but there's no requirement that it disclose what it found, disclose accurately or apply LEAP in its entirety. This is why our work focuses on what companies are advised to <i>report</i> not on internal processes within LEAP that cannot be examined.</p> <p>45% of the company groups represented on TNFD face serious environmental and human rights concerns. Several of these are already proponents of initiatives that include various guidances or tools. For example, the OECD Guidelines on Multinational Enterprises include detailed sector-based due diligence guidances for responsible business conduct. Several face OECD complaints - Anglo American, Bayer, Holcim, UBS, HSBC, S&P and BlackRock.</p>	UNEP's fact sheet doesn't make any gender disclosure recommendation under this section.

Table 5: Seven points on why the pamphlet provided is not evidence of UNEP aligning with core obligations to rights holders, good governance and access to information Pamphlet: "A Gender-responsive approach to nature-based disclosure for financial institutions".	
1	The pamphlet was published AFTER the final TNFD framework. It is dated January 2024, the framework was published in September 2023. It is not encouraging feedback on the TNFD framework - it is communicating what has already been decided.
2	The pamphlet is for financial institutions. This reinforces a fundamental point of our complaint - that UNEP has focused its efforts on corporations, not rights holders.
3	The pamphlet does not take a rights-based approach. It does not discuss 'rights holders' or the specific duties of companies, including financial institutions, to respect

	<p>rights articulated in international laws or instruments. Instead, it takes a paternalistic approach that views company approaches to rights as a ‘gift’ - where companies decide what they feel like doing. This undermines the rights-based language of other UN agencies - such as the UN OHCHR on Business and Human Rights. Rights holders are often adamant of the importance of rights-based approaches - this therefore reinforces the complainants point that rights holder concerns were not centered by UNEP or TNFD.</p>
<p>4</p>	<p>UNEP has not shown any community information materials, sample reports or other resources that allowed grassroots groups or rights holders to easily understand what was proposed by the TNFD framework during its drafting. Complainants view that UNEP is unable to show such materials as they do not exist.</p>
<p>5</p>	<p>The pamphlet outlines positions that undermine rights holders. It’s hard to imagine any rights holder who has lived experience of trying to stop corporate environmental or human rights harms advocating for positions related to the pamphlet - see further Table 4. This includes a ‘disclosure’ initiative where communities continue to be denied the right to know the name of companies linked to activities in their area, complaints not being publicly listed by companies and companies not disclosing their impacts on nature. This is beside the broader point that TNFD does not challenge the rights of companies to keep the profits from environmental or human rights harms even if they did choose to disclose them; and ongoing impunity issues on liability and redress. Corporations reporting high-level, non-verifiable data on ‘gender’ as per the pamphlet without addressing the most basic and fundamental provisions needed to protect rights holders affected by corporate environmental and human rights harms, including women, is an example of how TNFD reporting can facilitate greenwashing by giving a misleading picture of its practices.</p>
<p>6</p>	<p>The pamphlet does not address a single one of the key gender points in the complaint (p.8-9) or those referenced on p.10-11, p.18 and p.21.</p>
<p>7</p>	<p>Complainants are unclear on how this is ‘evidence’ that responds to the complaint. Is UNEP suggesting that the mention of gender in a UNEP pamphlet designed for financial institutions after the TNFD framework was decided is akin to UNEP meeting obligations under its own policies and international norms such as the Escazu Agreement? And that this pamphlet was the best ‘evidence’ UNEP IOSSR was able to find? The Director’s response gives no reassurances that UNEP IOSSR has fully read, understood or seriously considered the complaint - as many of the points raised in this response were discussed at length.</p>